

## 100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 SB2041

Introduced 2/10/2017, by Sen. William R. Haine

## SYNOPSIS AS INTRODUCED:

625 ILCS 5/11-208.7

Amends the Illinois Vehicle Code. Provides that if proper notice is given within the first 5 calendar days after a vehicle is towed, daily storage charges shall begin to accrue for the first 5 calendar days and shall continue thereafter. Provides that if proper notice is given after the first 5 calendar days after the vehicle is towed, daily storage charges shall not begin to accrue until 3 calendar days after the notice is sent. Provides for the daily storage charge amounts. Provides that at the time a vehicle is towed or no later than 5 calendar days thereafter, the county or municipality shall notify by certified mail the lienholder of record, lessor, and the owner, lessee, or person identifying himself or herself as the owner or lessee of the vehicle, or any person who is found to be in control of the vehicle at the time of the alleged offense, of the fact of the seizure, and of the vehicle owner's or lessee's right to an administrative hearing. Provides that within 3 calendar days after the vehicle is towed, a county or municipality shall access the vehicle's title record to determine the lienholder of record, lessor, and the owner, lessee, or person identifying himself or herself as the owner or lessee of the vehicle. Provides that except if an administrative hearing officer overturns a vehicle impoundment, a county or municipality may assess a \$5 fee for each vehicle towed to defray additional administrative costs. Provides that a lienholder or lessor shall be entitled to take possession of an impounded vehicle, and defer payment of any applicable administrative fees, upon submission of certain documents and fees to the municipality or its designated agent. Provides that upon a request to obtain possession of an impounded vehicle, a municipality or its agent shall provide a lienholder or lessor an opportunity to view the vehicle and provide a statement in writing setting forth the amount of the applicable administrative, towing, and storage fees. Makes conforming changes.

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1 AN ACT concerning transportation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Vehicle Code is amended by changing Section 11-208.7 as follows:
- 6 (625 ILCS 5/11-208.7)
- Sec. 11-208.7. Administrative fees and procedures for impounding vehicles for specified violations.
- 9 (a) Any county or municipality may, consistent with this Section, provide by ordinance procedures for the release of 10 properly impounded vehicles and for the imposition of a 11 reasonable administrative fee related to its administrative 12 13 and processing costs associated with the investigation, 14 arrest, and detention of an offender, or the removal, impoundment, storage, and vehicle. 15 release of the 16 administrative fee imposed by the county or municipality may be 17 in addition to any fees charged for the towing and storage of an impounded vehicle. The administrative fee shall be waived by 18 19 the county or municipality upon verifiable proof that the 20 vehicle was stolen at the time the vehicle was impounded.
  - (b) An ordinance establishing procedures for the release of properly impounded vehicles under this Section may impose fees only for the following violations:

(1) operation or use of a motor vehicle in th	ne
commission of, or in the attempt to commit, an offense for	or
which a motor vehicle may be seized and forfeited pursuan	nt
to Section 36-1 of the Criminal Code of 2012; or	

- (2) driving under the influence of alcohol, another drug or drugs, an intoxicating compound or compounds, or any combination thereof, in violation of Section 11-501 of this Code; or
- (3) operation or use of a motor vehicle in the commission of, or in the attempt to commit, a felony or in violation of the Cannabis Control Act; or
- (4) operation or use of a motor vehicle in the commission of, or in the attempt to commit, an offense in violation of the Illinois Controlled Substances Act; or
- (5) operation or use of a motor vehicle in the commission of, or in the attempt to commit, an offense in violation of Section 24-1, 24-1.5, or 24-3.1 of the Criminal Code of 1961 or the Criminal Code of 2012; or
- (6) driving while a driver's license, permit, or privilege to operate a motor vehicle is suspended or revoked pursuant to Section 6-303 of this Code; except that vehicles shall not be subjected to seizure or impoundment if the suspension is for an unpaid citation (parking or moving) or due to failure to comply with emission testing; or
  - (7) operation or use of a motor vehicle while

soliciting, possessing, or attempting to solicit or possess cannabis or a controlled substance, as defined by the Cannabis Control Act or the Illinois Controlled Substances Act; or

- (8) operation or use of a motor vehicle with an expired driver's license, in violation of Section 6-101 of this Code, if the period of expiration is greater than one year; or
- (9) operation or use of a motor vehicle without ever having been issued a driver's license or permit, in violation of Section 6-101 of this Code, or operating a motor vehicle without ever having been issued a driver's license or permit due to a person's age; or
- (10) operation or use of a motor vehicle by a person against whom a warrant has been issued by a circuit clerk in Illinois for failing to answer charges that the driver violated Section 6-101, 6-303, or 11-501 of this Code; or
- (11) operation or use of a motor vehicle in the commission of, or in the attempt to commit, an offense in violation of Article 16 or 16A of the Criminal Code of 1961 or the Criminal Code of 2012; or
- (12) operation or use of a motor vehicle in the commission of, or in the attempt to commit, any other misdemeanor or felony offense in violation of the Criminal Code of 1961 or the Criminal Code of 2012, when so provided by local ordinance; or

Τ	(13) operation of use of a motor venicle in violation
2	of Section 11-503 of this Code:
3	(A) while the vehicle is part of a funeral
4	procession; or
5	(B) in a manner that interferes with a funeral
6	procession.
7	(c) The following shall apply to any fees imposed for
8	administrative and processing costs pursuant to subsection
9	(b):
10	(1) All administrative fees and towing and storage
11	charges shall be imposed on the registered owner of the
12	motor vehicle or the agents of that owner.
13	(2) The fees shall be in addition to (i) any other
14	penalties that may be assessed by a court of law for the
15	underlying violations; and (ii) any towing or storage fees,
16	or both, charged by the towing company.
17	(3) The fees shall be uniform for all similarly
18	situated vehicles.
19	(4) The fees shall be collected by and paid to the
20	county or municipality imposing the fees.
21	(5) The towing or storage fees, or both, shall be
22	collected by and paid to the person, firm, or entity that
23	tows and stores the impounded vehicle.
24	(6) If notice under paragraph (2) of subsection (e) of
25	this Section is sent within the first 5 calendar days after
26	the vehicle is towed, daily storage charges shall begin to

accrue for the first 5 calendar days and shall continue thereafter. If notice is sent after the first 5 calendar days after the vehicle is towed, daily storage charges shall not accrue until 3 calendar days after the notice is sent. The daily storage charges shall not exceed the following rates: (i) \$20.00 per calendar day for the first 5 calendar days and \$35.00 per calendar day thereafter; or (ii) if the vehicle weighs 8,000 pounds or more, \$60.00 per calendar day for the first 5 calendar days and \$100.00 per calendar day thereafter. No tow or storage fees shall be assessed if an administrative hearing officer overturns a vehicle impoundment. This paragraph (6) shall not apply to municipalities with more than 1,000,000 inhabitants.

- (d) Any ordinance establishing procedures for the release of properly impounded vehicles under this Section shall provide for an opportunity for a hearing, as provided in subdivision (b) (4) of Section 11-208.3 of this Code, and for the release of the vehicle to the owner of record, lessee, or a lienholder of record, including a lessor of record, upon payment of all administrative fees and towing and storage fees, subject to the provisions of subsection (k).
- (e) Any ordinance establishing procedures for the impoundment and release of vehicles under this Section shall include the following provisions concerning notice of impoundment:
  - (1) Whenever a police officer has cause to believe that

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a motor vehicle is subject to impoundment, the officer shall provide for the towing of the vehicle to a facility authorized by the county or municipality.

- (2) At the time the vehicle is towed or no later than 5 calendar days thereafter, the county or municipality shall notify by certified mail, with return receipt requested, the lienholder of record, lessor, and or make a reasonable attempt to notify the owner, lessee, or person identifying himself or herself as the owner or lessee of the vehicle, or any person who is found to be in control of the vehicle at the time of the alleged offense, of the fact of the seizure, and of the vehicle owner's or lessee's right to an administrative hearing. Within 3 calendar days after a vehicle is towed, a county or municipality shall access the vehicle's title record through the Secretary of State's website or by other means to determine the lienholder of record, lessor, and the owner, lessee, or person identifying himself or herself as the owner or lessee of the vehicle. Except if an administrative hearing officer overturns a vehicle impoundment, a county or municipality may assess a \$5 fee for each vehicle towed to defray additional administrative costs.
- (3) The county or municipality shall also provide notice that the motor vehicle will remain impounded pending the completion of an administrative hearing, unless the owner or lessee of the vehicle or a lienholder posts with

the county or municipality a bond equal to the administrative fee as provided by ordinance and pays for all towing and storage charges, subject to the provisions of subsection (k).

- (f) Any ordinance establishing procedures for the impoundment and release of vehicles under this Section shall include a provision providing that the registered owner or lessee of the vehicle and any lienholder of record shall be provided with a notice of hearing. The notice shall:
  - (1) be served upon the owner, lessee, and any lienholder of record either by personal service or by first class mail to the interested party's address as registered with the Secretary of State;
  - (2) be served upon interested parties within 10 days after a vehicle is impounded by the municipality; and
  - (3) contain the date, time, and location of the administrative hearing. An initial hearing shall be scheduled and convened no later than 45 days after the date of the mailing of the notice of hearing.
- (g) In addition to the requirements contained in subdivision (b) (4) of Section 11-208.3 of this Code relating to administrative hearings, any ordinance providing for the impoundment and release of vehicles under this Section shall include the following requirements concerning administrative hearings:
  - (1) administrative hearings shall be conducted by a

- hearing officer who is an attorney licensed to practice law in this State for a minimum of 3 years;
  - (2) at the conclusion of the administrative hearing, the hearing officer shall issue a written decision either sustaining or overruling the vehicle impoundment;
  - (3) if the basis for the vehicle impoundment is sustained by the administrative hearing officer, any administrative fee posted to secure the release of the vehicle shall be forfeited to the county or municipality;
  - (4) all final decisions of the administrative hearing officer shall be subject to review under the provisions of the Administrative Review Law, unless the county or municipality allows in the enabling ordinance for direct appeal to the circuit court having jurisdiction over the county or municipality;
  - (5) unless the administrative hearing officer overturns the basis for the vehicle impoundment, no vehicle shall be released to the owner, lessee, or lienholder of record until all administrative fees and towing and storage charges are paid, subject to the provisions of subsection (k); and
  - (6) if the administrative hearing officer finds that a county or municipality that impounds a vehicle exceeded its authority under this Code, the county or municipality shall be liable to the registered owner or lessee of the vehicle for the cost of storage fees and reasonable attorney's

1 fees.

- (h) Vehicles not retrieved from the towing facility or storage facility within 35 days after the administrative hearing officer issues a written decision shall be deemed abandoned and disposed of in accordance with the provisions of Article II of Chapter 4 of this Code.
- (i) Unless stayed by a court of competent jurisdiction, any fine, penalty, or administrative fee imposed under this Section which remains unpaid in whole or in part after the expiration of the deadline for seeking judicial review under the Administrative Review Law may be enforced in the same manner as a judgment entered by a court of competent jurisdiction.
- (j) The fee limits in subsection (b), the exceptions in paragraph (6) of subsection (b), and all of paragraph (6) of subsection (g) of this Section shall not apply to a home rule unit that tows a vehicle on a public way if a circumstance requires the towing of the vehicle or if the vehicle is towed due to a violation of a statute or local ordinance, and the home rule unit:
  - (1) owns and operates a towing facility within its boundaries for the storage of towed vehicles; and
  - (2) owns and operates tow trucks or enters into a contract with a third party vendor to operate tow trucks.
- (k) Notwithstanding any other provision of this Section to the contrary, a lienholder or lessor shall be entitled to take possession of a vehicle impounded under any ordinance

1	authorized by this Section, and defer payment of any applicable
2	administrative fees, upon submission of the following to the
3	municipality or its designated agent:

- (1) a copy of the certificate of title or other competent evidence to demonstrate the filing of the lien or lessor's ownership of the vehicle with the Secretary of State or other applicable governmental entity, which shall be certified as a true and correct copy of the document under notary seal;
- (2) a copy of the installment sales, loan, or lease agreement related to the vehicle which shall be certified as a true and correct copy of the document under notary seal;
- (3) a sworn statement that the owner, purchaser, or lessee of the vehicle is in default, and that the lienholder or lessor has a right under the agreement to repossess or otherwise foreclose on its lien and that it is repossessing and foreclosing on its lien or intends to do so;
- (4) a notarized agreement to indemnify and hold harmless the municipality and its agents for the release of the vehicle to the lienholder or lessor;
- (5) a written agreement of the lienholder that it shall conditionally pay to the municipality a portion or all of the applicable administrative fees, under this Section, to the extent of any surplus funds received by the lienholder

from the repossession sale of the vehicle under the Uniform Commercial Code or the Motor Vehicle Leasing Act. The amount of the surplus shall be as defined under Section 9-615 of the Uniform Commercial Code. The agreement shall provide that if the repossession sale does not yield enough surplus to pay the full amount owed to the municipality, the lienholder shall pay the municipality as much as is available from the surplus, if any, and the lienholder shall not have any further liability to the municipality for the amount owed. The agreement shall further provide that if the lienholder or lessor allows the owner, purchaser, or lessee to redeem or reinstate the vehicle or agreement and retake possession of the vehicle, and the vehicle is again towed and impounded, the provisions of this subsection (k) shall not apply; and

(6) payment of the authorized towing and storage fees charged by the person, firm, or entity that tows and stores the impounded vehicle, and the cost of certified mail sent as required under this Section, to the extent the lienholder or lessor was given notice, as provided by this Section.

This subsection (k) shall not apply to municipalities with 1,000,000 or more inhabitants.

(1) Upon the request of a lienholder or lessor to obtain possession of a vehicle impounded under any ordinance authorized by this Section, the municipality or its agent shall

- 1 provide to the lienholder or lessor an opportunity to view the
- 2 <u>vehicle and provide a statement in writing setting forth the</u>
- 3 amount of the applicable administrative, towing, and storage
- 4 fees as authorized by this Section.
- 5 (Source: P.A. 98-518, eff. 8-22-13; 98-734, eff. 1-1-15;
- 6 98-756, eff. 7-16-14; 99-848, eff. 8-19-16.)